NPAs of Banking Sector

1754. SHRI RAM DAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the banking sector is gripped with mounting Non-Performing Assets (NPAs) level of more than Rs. 45,000 crores, as reported in the Hindustan Times dated 13th October, 1998.

(b) if so, what are the details of NPAs, (bank-wise) till date, indicating names of both private/PSUs/companies having loans more than 50 crore, considered as NPA; and

(c) what steps Government have taken during 1997-98 and 1998-99 till date to reduce the NPAs indicating recoveries of loans with interest, bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) The gross Non-performing Assets (NPAs) of the public sector banks as on 31.3.1998 was Rs. 45652.64 crores.

(b) Information relating to individual accounts can not be disclosed keeping in view the secrecy provisions relating to the banker-customer relationships.

(c) Government had constituted a Committee to look into the problem of non-performing assets (NPAs) of public sector banks and to suggest measures for reduction of NPAs. Banks have formulated documents of loan recovery policy prescribing, *inter alia,* the manner of .ccovery of dues and the norms for sacrifices/waiver. Banks have also initiated measures for reduction of NPAs through compromise write off, through negotiated settlement to ensure maximum recovery at minimum expenses on basis of a transparent and well laid out policy. Some banks have set up independent settlement Advisory Committees to scrutinise and recommend compromise proposals. Banks have also set up Recovery Cells at their Head Quarters to monitor recovery performance, Debt Recovery Tribunals (DRTs) have also been set up to assist speedy recovery of banks dues. The improvement of credit appraisal skills has also received attention. As a result of these and other measured, the percentage of Gross NPAs of public sector banks came down from 18.01% during 1995-96 to 16.02% as on 31st March, 1998 and the net NPAs from 8.90% as on 31.03.96 to 8.13% as on 31st March, 1998.

Import Duty on Sugar

1755. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to increase the import duty on sugar, if so, upto what level and by when; and

(b) if not, the proposal of Government to save the sugar industry of the country from dumping of sugar by other countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) and (b) The question of increasing import duty on sugar is under consideration of the Government.

Level Playing Field for Domestic Industry

1756. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to provide a level playing field for the domestic industry for corporate growth in the next millenium, if so, the details in this regard; and

(b) if not, in what manner Government propose to ensure that domestic industry would develop inspite of onslaught of MNCs?